

Maine Revised Statutes

**Title 13-C: MAINE BUSINESS CORPORATION ACT
HEADING: PL 2001, c. 640, Pt. A, §2 (new); Pt. B, §7 (aff)**

**Chapter 10: AMENDMENT OF ARTICLES OF INCORPORATION AND
BYLAWS HEADING: PL 2001, c. 640, Pt. A, §2 (new); Pt. B, §7 (aff)**

§1003. AMENDMENT BY BOARD OF DIRECTORS AND SHAREHOLDERS

If a corporation has issued shares, an amendment to the articles of incorporation must be adopted in accordance with the following. [2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF).]

1. Amendment adopted by board of directors. The proposed amendment must be adopted by the board of directors.

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

2. Approval by shareholders. Except as provided in sections 1005, 1007 and 1008, after adopting the proposed amendment the corporation's board of directors shall submit the amendment to the shareholders for their approval. The board of directors shall also transmit to the shareholders a recommendation that the shareholders approve the amendment, unless:

A. The board of directors makes a determination that because of conflicts of interest or other special circumstances the board of directors should not make such a recommendation; or [2011, c. 274, §48 (NEW) .]

B. Section 827 applies. [2011, c. 274, §48 (NEW) .]

If paragraph A or B applies, the board of directors shall transmit to the shareholders the basis for so proceeding.

[2011, c. 274, §48 (RPR) .]

3. Condition of submission. The board of directors may condition its submission of the amendment to the shareholders on any basis.

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

4. Notice of meeting. If the amendment is required to be approved by the shareholders and the approval is to be given at a meeting, the corporation must notify each shareholder, whether or not entitled to vote, of the meeting of shareholders at which the amendment is to be submitted for approval. The notice must state that the purpose, or one of the purposes, of the meeting is to consider the amendment and must contain or be accompanied by a copy of the amendment.

[2001, c. 640, Pt. A, §2 (NEW); 2001, c. 640, Pt. B, §7 (AFF) .]

5. Approval by majority. Unless the articles of incorporation or the board of directors, acting pursuant to subsection 3, requires a greater vote, approval of the amendment requires the approval of the shareholders by a majority of all the votes entitled to be cast on the amendment by the shareholders and, if any class or series is entitled to vote as a separate voting group on the amendment, except as provided in section 1004, subsection 3, the amendment requires the approval of each separate voting group by a majority of all the votes entitled to be cast on the amendment by that voting group. The articles of incorporation may provide that an amendment may be approved by a lesser vote of each voting group entitled to vote on the amendment, but in

no case less than a majority of the votes cast by that voting group at a meeting at which there exists, for each such voting group, a quorum consisting of at least a majority of the votes entitled to be cast on the amendment by each voting group entitled to vote on the amendment.

[2003, c. 344, Pt. B, §92 (AMD) .]

6. Consent of shareholders. An amendment to the articles of incorporation may be approved by written consent of shareholders entitled to vote, as provided in section 704. If the amendment is approved by written consent of all shareholders, whether or not entitled to vote, a resolution of the board of directors proposing the amendment is not necessary.

[2003, c. 344, Pt. B, §92 (AMD) .]

SECTION HISTORY

2001, c. 640, §A2 (NEW). 2001, c. 640, §B7 (AFF). 2003, c. 344, §B92 (AMD). 2011, c. 274, §48 (AMD).

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